

**CORBETT WATER DISTRICT
BUDGET COMMITTEE MEETING
Written Summary
April 5, 2016**

Budget committee members present: Jeff Hargens, Robert Gaughan, Jack Garrison, Robert Churnside, Kevin Wilhelm, Sara Grigsby, Fred Sanchez, Marianne Pietras, Phil Dearixon, Malcolm Freund (arrived at 6:07p.m.)

Staff present: James Jans, Shanti Burns.

Audience members present: Robert Colclessor (arrived at 6:04pm), Jeff Busto (arrived at 6:12pm)

Budget committee chairman **Marianne Pietras** called the meeting to order at 6:00p.m.

Marianne Pietras informed the budget committee that the District has received a grant from Union Pacific to issue rebates for customers that install low flow toilets. **Jeff Hargens** would like Marianne Pietras to make a recommendation of how she thinks the grant funds should be handled at the next Board meeting.

APPROVAL OF THE AGENDA

Jeff Hargens made a motion to approve the agenda, **Robert Churnside** seconded, passed unanimously.

APPROVAL OF THE MINUTES

March 15, 2016 budget committee meeting: **Jack Garrison** would like the comments on the cost of living and water rate study to be included on the minutes. The revised minutes will be reviewed at the next budget committee meeting.

REVIEW OF THE PROPOSED BUDGET

Marianne Pietras commented on the 2016-2017 budget and displayed a slideshow.

RESOURCES:

Fire Hydrant Reimbursement: **Jack Garrison** questioned if the Multnomah County Fire District #14 plans to reimburse Corbett Water District for fire hydrant repairs. **James Jans** said the Fire District will reimburse up to 50% of fire hydrant repairs.

Taxes: **Jack Garrison** said the District will typically not receive the entire amount of tax revenue due to late or delinquent payments of property tax. He states we will nominally see a 4-5% unpaid property tax revenue annually. **Shanti Burns** said that the Multnomah County Tax Supervising and Conservation Commission (TSCC) accounted for late payments in the property tax estimation for the coming budget year.

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PERSONNEL SERVICES:

Wages: **Marianne Pietras** asked James Jans to explain the 3.5% increase for employees that are at the top of their pay scale. **James Jans** said he is planning to propose an additional step increase for the employees that are at the top of their pay scale, however this will ultimately be a Board decision. **James Jans** described the increase that each employee is allowed to receive, pending on their performance review.

COLA: **Jack Garrison** said the federal COLA did not issue an increase this year. **James Jans** informed him that, per Resolution 2000.02a, the District follows the Portland consumer price index. **Marianne Pietras** states the Portland consumer price index shows a 1.1% increase, but the Manager has a 1.5% increase on the budget sheets. **Sara Grigsby** recommends changing the COLA line item on the budget sheets to instead be labeled as *cost of living*. **Malcolm Freund** recommends using COLA instead of CPI. **Robert Gaughan** would like to compare wages with other water districts. **Jeff Hargens** feels that the funds should remain the same as the proposed budget for the Personnel Services category, as it will be a decision for the Board to determine if wages will increase, as well as the cost of living issued.

MATERIAL AND SERVICES:

Auditor: **Jack Garrison** asked when the request for proposals are due for the 2015-2016 audit. **Shanti Burns** states she contacted the State Board of Accountancy and received a list for municipal auditors in Oregon, after which she sent out request for proposals to approximately 18 auditors. The proposals are due by April 29, 2016.

Chemical: **Jack Garrison** feels that this line item is budgeted too high. **James Jans** said there may be new requirements from the Oregon Health Authority, however the fees seem to have leveled off. It was decided to reduce this line item to \$14,000.

Training and Education: **James Jans** states both the District Manager, Utility I, and Utility AP operators will be required to attend 20 hours of education in order to receive 10 CEU's every other year, and the District Clerk is required to attend 12 hours of education in order to receive 6 CEU's every other year. There are also multiple classes our employees should attend for knowledge, even if it is not required. **Sara Grigsby** feels that employees should attend classes if it helps with the efficiency of their job, and that the amount proposed is reasonable.

Fuel: **Jack Garrison** asked why fuel cost is budgeted so high. **James Jans** said fuel prices may increase, and reviewing past actual figures he feels it is a reasonable amount.

Water Rate Study: **James Jans** suggests having a water rate study to see what the District should be charging for water. **Jeff Hargens** does not think the District needs to spend money on a water rate study. **Marianne Pietras** offered this service to the District at no charge. It was determined to not include funds in this line item.

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MATERIAL AND SERVICES (Cont.)

Insurance and Bonds: **Jack Garrison** would like the District Clerk to review the insurance to see if we could pay a lower annual rate with a higher deductible, then prepare a presentation to the Board. **Shanti Burns** said she will contact our insurance agency and inform the Board members of the findings. She said if the Board feels at that time it warrants a presentation then she can prepare it for a Board meeting.

Due to scheduling conflicts, the next budget committee meeting and Board meeting will be rescheduled for a later date. **Shanti Burns** will contact all budget committee members once a date has been confirmed.

Sara Grigsby made a motion to adjourn the budget committee meeting, motion passed unanimously. Meeting adjourned at 8:03 p.m.